

RFAO EXECUTIVE BOARD MEETING

August 4, 2025

Video Conference on Microsoft Teams

MINUTES

Present: Ralph Budd, Richard Branda, Ruth Farrell, Alan Gotlieb, Michael Gurdon, Judith Van Houten, Rachel Johnson, Dwight Matthews, Beth Mintz, Alison Pechenick, Mara Saule, Lee Thompson

Absent: Taka Ashikaga,

Call to Order: Chair Michael Gurdon called the meeting to order at 2:04pm

1. Minutes of May 14, 2025, approved
2. RFAO Board Meeting
 - a. Ruth Farrell began the meeting by reviewing briefly the University Benefits Advisory Council (UBAC) and Health Insurance Working Group (HIWG) progress developing a retiree health insurance plan for 2026 in coordination with UVM Human Resources.
 - i. An RFP review committee, which included RFAO's two UBAC representatives, reviewed material regarding two finalists for a health exchange agent, and met and reviewed additional material in response to questions. There was agreement by the parties on the best agent for a health exchange. The negotiations continue and it is expected that a contract will be sent out soon. UBAC endorsed the premium developed by the HIWG team. The expectation is that the rate will be relatively stable but UBAC will continue to work with the actuarial staff. The Committees have been impressed with HR's benefits consultants who are knowledgeable with a lot of data. Once the plan for health insurance is finalized, it will be shared with retirees by information sessions, some in person and some on-line. The Committees expressed some frustration about the slow pace of decision-making since members will need definitive information soon to make a decision regarding their plan to go into effect January 1st.
 - ii. Under a private exchange, the University will continue to offer a similar defined contribution to premiums as it has in the past, based on age, length of service, and salary at retirement. However, it intends to use a standard or base premium on which to calculate the contribution, independent of the plan a retiree chooses. Its contribution will be deposited in a Health Reimbursement Account (HRA) for each retiree. It is anticipated that this premium will cover a better health plan than the current one. The premium is comparable to medigap plans G and N plus an additional calculation for an average Plan D. The sense of the Committee is that our base premium is generous compared to other institutions.
 - iii. There will be a network in each state for retirees living outside Vermont managed by licensed representatives. Members can review the network on-line by zip code.
 - iv. There is no change in the Delta dental plan.
 - v. Given the history of health care premium inflation, there is a concern about what the multiplier should be going forward. At this time UBAC does not have the data to determine escalation after 2026 but will use 2026 as the initial amount for future escalation. The calculation is complicated because it includes many factors beyond the inflation index.
 - b. There was discussion by the RFAO Board about when and how to inform members about the new health plan. Since currently there is no final statement and approval of the plan, there was a concern that supplying tentative information subject to change would cause confusion. But

there also was acknowledgement that transparency is important and that members can make up their own minds about incomplete information. The Board plans to transmit to HR and the administration its concern about the delay in decision making and the need to expedite information to the membership.

- c. Following this discussion Ruth Farrell volunteered to contact Caitlyn Sisler from HR to urge the release of more information to our members soon and to begin the information sessions this month. Chair Gurdon will contact President Tromp to assure that she is aware of the marketplace and other decisions related to the retiree health plan.

The meeting was adjourned at 3:16pm

The next meeting is scheduled for August 27, 2025.

Respectfully submitted, Richard Branda